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Date: 11/29/2011

GAIN Report Number: KS1147

Korea - Republic of

Post: Seoul

Rice Production Update

Report Categories:

Grain and Feed

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Report Highlights:

South Korea's rice production in 2011 is the lowest it has been in more than 30 years due in large part to the steady decline in acreage planted. The Ministry of Food, Agriculture, Forestry & Fisheries (MIFAFF) is considering lowering the average milling rate to reflect current production practices. A lower milling rate, if adopted, would reduce milled production estimates on average by about 3 percent.

General Information:

Rice Production Hits 30-Year Low:

On November 17, 2011, the Korean Statistical Information Service (KOSIS) released its final 2011rice production estimate at 4,224,019 metric tons, which is up a nominal 8,500 metric tons from the September forecast. Despite this minor upward revision, Korean rice production is still at its lowest point in more than 30 years (KS1144). Since reaching its peak in the 1970's, rice production has been trending downward as farmers retire without being replaced and consumers' diets change. The PSD has been updated accordingly.

Korea: Rice Area, Yield and Production								
Crop Year	Area (1,00HA)	Yield (KG/HA)	Production (Milled, 1,000 MT)					
2005	980	4,900	4,768					
2006	955	4,890	4,680					
2007	950	4,640	4,408					
2008	936	5,180	4,843					
2009	924	5,318	4,916					
2010	892	4,820	4,295					
2011	854	4,946	4,224					

Source: Ministry of Food, Agriculture, Forestry & Fisheries (MIFAFF)

Korea: 2011 Rice Area, Yield and Production								
Type of Rice Land Area Yield (KG/HA) Production (Milled, MT)								
Paddy Rice	850,798	4,960	4,216,607					
Upland Rice	3,025	2,450	7,412					
Total	853,823	4,947	4,224,019					

Source: Ministry of Food, Agriculture, Forestry & Fisheries (MIFAFF)

Revision of Applicable Milling Rate from Brown Rice to Milled Rice:

Based on the outcome of a recent industry survey, the Ministry of Food, Agriculture, Forestry & Fisheries acknowledged that the current average milling rate (paddy to milled) is too high and is considering lowering it from 74 percent to 72 percent to reflect current milling practices. Local processors are reportedly now polishing rice to a greater degree in response to consumer demand for well-milled high quality rice. In particular, as shown in the table below, the degree of milling is said to have climbed from 9 to 12. Note, the higher you go up the 12 degree spectrum the whiter the rice. The shelling rate to brown rice from paddy rice remains unchanged at 80 percent.

Korea: Milling Rate to Milled Rice from Paddy Rice								
(Percent)								
Degree(s) 1 2 5 7 9 a/ 10 12 b/								
% of Brown Rice Removed	0.8	1.6	4.0	5.6	7.2	8.0	9.6	
% of Milled Rice Remaining	99.2	98.4	96.0	94.4	92.9	92.0	90.4	
% of Shelling Rate	80	80	80	80	80	80	80	
% of Milling Rate	79.36	78.72	76.80	75.52	74.32	73.60	72.32	

Source: Korean Statistical Information Service (KOSIS)

a/ milling rate applicable to date

b/ milling rate to be revised in the future

The following table shows a comparison of milled rice production based on milling rate of 9 degrees and 12 degrees. The change in milling rates will result in reported production of milled rice falling on average about 3 percent. However, until MIFAFF revises its official data series, PSD milling rate figures will remain unchanged.

Korea: Rice Production Comparison per Milling Rate

(1,000 MT, .9999)									
			Based on 9	Degrees	Based on 12 Degrees				
Crop Year	Area (1,000 HA)	Rough Rice	Milled Rice	Milling Rate	Milled Rice	Milling Rate			
1995	1,056	6,389	4,694	7,347	4,568	7,150			
1996	1,050	7,123	5,323	7,473	5,179	7,271			
1997	1,052	7,315	5,449	7,449	5,302	7,248			
1998	1,059	6,790	5,097	7,507	4,959	7,303			
1999	1,066	7,066	5,263	7,448	5,121	7,247			
2000	1,072	7,197	5,291	7,352	5,148	7,153			
2001	1,083	7,407	5,515	7,446	5,366	7,244			
2002	1,053	6,687	4,927	7,368	4,794	7,169			
2003	1,016	6,151	4,451	7,236	4,331	7,041			
2004	1,001	6,737	5,000	7,422	4,865	7,221			
2005	980	6,435	4,768	7,409	4,640	7,211			
2006	955	6,305	4,680	7,423	4,554	7,223			
2007	950	5,962	4,408	7,393	4,289	7,194			
2008	936	6,468	4,843	7,488	4,712	7,285			
2009	924	6,502	4,916	7,561	4,787	7,362			
2010	892	5,811	4,295	7,391	4,180	7,193			
2011	854	5,616	4,224	7,521	4,110	7,318			

Source: Korean Statistical Information Service (KOSIS)

Rice PSD

Rice, Milled Korea, Republic of	2009/2	2009/2010 Market Year Begin: Nov 2009		2010/2011 Market Year Begin: Nov 2010		2012]
						Begin: Nov 1	7
	USDA Official	New Post	USDA Official	New Post	USDA Official	New Post]
Area Harvested	924	924	892	892	854	854	(1000 HA)
Beginning Stocks	996	996	1,453	1,508	1,278	964	(1000 MT)
Milled Production	4,916	4,916	4,295	4,295	4,240	4,224	(1000 MT)
Rough Production	6,502	6,502	5,804	5,810	5,730	5,616	(1000 MT)
Milling Rate (.9999)	7,561	7,561	7,400	7,392	7,400	7,522	(1000 MT)
MY Imports	310	306	330	330	350	350	(1000 MT)
TY Imports	320	320	330	330	350	350	(1000 MT)
TY Imp. from U.S.	94	95	0	95	0	100	(1000 MT)
Total Supply	6,222	6,218	6,078	6,133	5,868	5,538	(1000 MT)
MY Exports	4	9	3	4	3	3	(1000 MT)
TY Exports	4	9	3	4	3	3	(1000 MT)
Consumption and Residual	4,765	4,701	4,797	5,165	4,800	4,507	(1000 MT)
Ending Stocks	1,453	1,508	1,278	964	1,065	1,028	(1000 MT)
Total Distribution	6,222	6,218	6,078	6,133	5,868	5,538	(1000

						MT)
Yield (Rough)	7.	7.0368	6.5135	7.	6.5761	(MT/HA)
TS=TD		0	0		0	